

Company Registration No. 04484629 (England and Wales)

Bytemark Limited
Unaudited Financial Statements
For The Year Ended 31 July 2018

BYTEMARK LIMITED

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BYTEMARK LIMITED

BALANCE SHEET AS AT 31 JULY 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	3		-		2,416
Tangible assets	4		1,128,994		1,149,438
			<u>1,128,994</u>		<u>1,151,854</u>
Current assets					
Stocks		4,653		-	
Debtors	5	232,775		321,083	
Cash at bank and in hand		399,579		340,146	
		<u>637,007</u>		<u>661,229</u>	
Creditors: amounts falling due within one year	6	<u>(1,015,471)</u>		<u>(1,069,005)</u>	
Net current liabilities			<u>(378,464)</u>		<u>(407,776)</u>
Total assets less current liabilities			750,530		744,078
Creditors: amounts falling due after more than one year	7		(168,572)		(289,341)
Provisions for liabilities			<u>(20,500)</u>		<u>(38,300)</u>
Net assets			<u>561,458</u>		<u>416,437</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves	8		561,358		416,337
Total equity			<u>561,458</u>		<u>416,437</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 February 2019 and are signed on its behalf by:

Mr A MacSween

Director

Company Registration No. 04484629

BYTEMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

Company information

Bytemark Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor, 11-21 Paul Street, London, EC2A 4JU.

1.1 Accounting convention

These financial statements have been prepared in accordance with "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The ultimate parent company at 31 July 2018 is Bytemark Holdings Limited. The registered office of Bytemark Holdings Limited is 3rd Floor, 11-21 Paul Street, London, United Kingdom, EC2A 4JU. The company and its parent comprise a small group and as such are exempt from preparing group accounts.

1.2 Going concern

At the date of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks	Straight line over 10 years
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BYTEMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property improvements	Straight line between 5 -15 years
Plant and machinery	Straight line over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

BYTEMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

(Continued)

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

BYTEMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

(Continued)

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

BYTEMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 31 (2017 - 34).

3 Intangible fixed assets

	Trademark £
Cost	
At 1 August 2017	4,835
Disposals	(4,835)
At 31 July 2018	-
Amortisation and impairment	
At 1 August 2017	2,419
Amortisation charged for the year	483
Disposals	(2,902)
At 31 July 2018	-
Carrying amount	
At 31 July 2018	-
At 31 July 2017	2,416

4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 August 2017	536,592	1,132,378	1,668,970
Additions	51,464	452,921	504,385
Disposals	(11,702)	(3,968)	(15,670)
At 31 July 2018	576,354	1,581,331	2,157,685
Depreciation and impairment			
At 1 August 2017	158,077	361,455	519,532
Depreciation charged in the year	94,206	427,992	522,198
Eliminated in respect of disposals	(7,608)	(5,431)	(13,039)
At 31 July 2018	244,675	784,016	1,028,691
Carrying amount			
At 31 July 2018	331,679	797,315	1,128,994
At 31 July 2017	378,515	770,923	1,149,438

BYTEMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

4 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2018 £	2017 £
Fixtures, fittings and equipment	319,795	663,766
	<u>319,795</u>	<u>663,766</u>
Depreciation charge for the year in respect of leased assets	226,038	189,811

5 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	105,434	133,832
Corporation tax recoverable	900	120,600
Amounts owed by group undertakings	41,270	-
Other debtors	85,171	66,651
	<u>232,775</u>	<u>321,083</u>

6 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	91,000	159,526
Amounts owed to group undertakings	-	35,517
Taxation and social security	133,724	49,799
Other creditors	790,747	824,163
	<u>1,015,471</u>	<u>1,069,005</u>

Net obligations under hire purchase and finance lease contracts of £275,856 (2017 - £252,185) included in other creditors are secured.

7 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Other creditors	168,572	289,341

Net obligations under hire purchase and finance lease contracts of £168,572 (2017 - £289,341) included in other creditors are secured.

BYTEMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

8 Profit and loss reserves

Dividends declared and paid during the year to Bytemark Holdings Limited total £140,000 (2017 - £170,000).

9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2018	2017
£	£
32,985	65,970
<u> </u>	<u> </u>

10 Related party transactions

The company has taken advantage of the exemption available under FRS 102 section 1A whereby it has not disclosed transactions with the parent company.

11 Post balance sheet events

On 24 August 2018 the entire share capital of Bytemark Holdings Limited was acquired by iomart Group plc. From this date the ultimate parent company and controlling party of Bytemark Limited is iomart Group plc, a company registered in Scotland.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.